Medicaid work/community engagement requirements:
State advocacy to prevent coverage disruptions
July 2026

The issue

The "One, Big, Beautiful Bill Act" (H.R. 1) requires states to impose a work requirement for most Medicaid expansion enrollees. With a few exceptions, enrollees between the ages of 19 and 64 must accrue at least 80 hours of work, community service or other eligible activities per month to maintain Medicaid coverage. The requirement takes effect Jan. 1, 2027, in the 40 states plus the District of Columbia that have expanded Medicaid in addition to Georgia, Tennessee and Wisconsin — which have waiver expansions. The policy is expected to leave millions of people without Medicaid coverage by 2028.

An interim final rule released by the Centers for Medicare and Medicaid Services disregards the H.R. 1 exemption of certain populations who are considered "medically frail," including those with a "serious or complex condition," such as HIV or cancer, from the work requirements. Instead, the interim final rule goes further than the legislation by requiring a two-step process: States must maintain a list of conditions that are eligible for an exemption. Individuals with a qualifying condition must then document that the condition significantly impairs them from fulfilling the work or community service activities to qualify for an exemption.

What's at stake for people with HIV

In 2023, nationally nearly half of people with HIV had Medicaid coverage. In the Medicaid expansion states, 60% of people with HIV had Medicaid coverage. Medicaid offers comprehensive coverage for services beyond HIV care and treatment with minimal cost sharing. *Prior to the Medicaid expansion,* ***most*** *people with HIV did not have access to Medicaid coverage until they became sick and disabled by HIV or another condition, which is still the case in most non-Medicaid expansion states*. **The new policy is expected to have a significant impact on people with HIV and their ability to maintain health care coverage due to the additional administrative and reporting requirements that will be needed to maintain Medicaid coverage.**

See the KFF brief, ***Medical Frailty and Medicaid Work Requirements: Challenges for People With HIV****, and consider sharing the brief with policymakers to educate them on the important role the Medicaid plays in providing access to health coverage for people with HIV.*

What you can do

Clinicians can play an important role in educating state Medicaid staff on how your patients will be impacted by the community engagement requirement and in influencing how state Medicaid programs implement the requirements and specifically the exemption process for people with HIV and others with a serious or complex chronic condition under the "medically frail" exemption category. Below are policies states can implement to protect people with HIV and others and improve the exception process.

Advocacy asks

Delay implementation of the "community engagement" requirements. Urge your state to request a good faith extension to delay implementation of the "community engagement" requirement until Dec. 31, 2028, to allow time to develop the appropriate systems and processes needed to support implementation.

Urge your to state develop a comprehensive list of conditions eligible for an exemption and ensure that HIV and viral hepatitis are included on the list. Recommend that they include the diagnoses below but note that this is not an exhaustive list.

ICD-10 code	Description	Common name	Category
B20	HIV disease	Primary HIV diagnosis	HIV/AIDS
Z21	Asymptomatic HIV infection status	HIV positive, no symptoms	HIV/AIDS
B97.35	HIV-1 as cause of disease classified elsewhere	HIV-2 specific	HIV/AIDS
098.7	HIV disease complicating pregnancy, childbirth, puerperium	Pregnancy + HIV	HIV/AIDS
B18.2	Chronic viral hepatitis C	Chronic hep C	Hepatic/liver disease
B19.20	Unspecified viral hepatitis C without hepatic coma	Hep C NOS	Hepatic/liver disease
B18.1	Chronic viral hepatitis B without delta-agent	Chronic hep B	Hepatic/liver disease
B16.9	Acute hepatitis b without delta-agent and without hepatic coma	Acute hep B	Hepatic/liver disease
B18.0	Chronic viral hepatitis B with delta-agent	Chronic hep B + D	Hepatic/liver disease
K73.9	Chronic hepatitis, unspecified	Chronic hepatitis NOS	Hepatic/liver disease

Urge for your state to allow for self-attestation without documentation for people with HIV and others with a "serious or complex health condition" who are unable to meet the 80 hours of required activities due to "significant impairment" from HIV or their condition. The rule permits states to do this for 2027 but only allows one self-attestation per continuous period of enrollment beginning in 2028.

Urge your state to accept provider documentation that a Medicaid expansion enrollee is "medically frail" due to a "serious or complex condition." Recommend that they include an expansive list of providers qualified to provide an exemption that at a minimum includes physicians, nurse practitioners, physician assistants, social workers and nurses. Request that the state develop a short, template letter or form for providers to use. If your clinic staff have experience with processes or forms that can streamline the process for requesting exemptions from work requirements for food assistance or other programs, share those.

Request that community engagement requirement exemptions be granted for 12 months, which is the longest period allowed by the rule before a "medically frail" redetermination is needed.

Encourage the state to develop clear and accessible health screening tools to facilitate assessment by Medicaid enrollees of their eligibility for a medically frail exemption.

Urge the state to conduct redeterminations no more than every six months. The law allows states to conduct redeterminations every six months to ensure eligibility, but states have the option to require eligibility redeterminations more frequently. More frequent redeterminations will result in otherwise eligible enrollees losing coverage and higher administrative costs.

Legal challenge

Twenty-five states and the District of Columbia filed a lawsuit June 29, 2026, challenging the legality of aspects of the CMS interim final rule, including the "medically frail" exemption. *If your state joined the legal challenge, thank them for doing so noting how important stopping the rule is for people with HIV to maintain their healthcare coverage.*

Engaging with your state Medicaid program

There are several ways to weigh in and share the advocacy asks:

- Meet, email and/or call your **state Medicaid staff.**
- Search your **state's Medicaid website** to learn how you can participate in your **state Medicaid Advisory Committee** meetings or provide input to the committee.
- **Email HIVMA** with questions.

Learn more

A Summary of Medicaid Work Requirements (Center for Health Care Strategies, June 2026)

The Medical Frailty Exemption From Medicaid Work Requirements: Key Takeaways From the CMS Interim Final Rule (KFF, June 2026)

New Medicaid Work Requirements Rule Threatens Access to Care for People with Chronic Conditions (Harvard Center for Health Policy and Law Innovation, June 2026)

American Medical Association Letter to CMS (May 2026)